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# Social dimensions of the New Partnership for Africa's Development

## Report of the Secretary-General

*Summary*

The present report is submitted pursuant to Economic and Social Council resolution 2010/11 for consideration and discussion during the forty-ninth session of the Commission for Social Development, while also taking into consideration General Assembly resolution 62/179 entitled "New Partnership for Africa's Development: progress in implementation and international support". The report presents initiatives and activities being undertaken and assesses their social dimensions. It concludes with an examination of the challenges in implementing the priorities of the African Union's New Partnership for Africa's Development programme and suggests some policy recommendations.

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# I. Introduction

1. Ten years after the launch of the New Partnership for Africa's Development (NEPAD), the continent continues to face important development challenges. While overall progress has been rather slow, uneven and sometimes fragile, fundamental changes and substantial progress are under way in social, economic, political and infrastructure areas in individual countries and at the continental level.[1] Africa's economy grew at an impressive average annual rate of about 6 per cent between 2006 and 2008, further extending the strongest economic performance of the region in modern times.[2] However, despite this growth renaissance, per capita gross domestic product (GDP) is still less than what it was in the early 1980s, the pre-structural adjustment period.[3]

2. High rates of growth in recent years prior to the global financial and economic crisis and significant investments in anti-poverty programmes and other social areas have brought about reductions in the proportion of people living in extreme poverty. However, the absolute number of poor people actually increased from 296 million to 388 million during this period. This means that African economies must grow at a much faster rate for a sustained period. At the same time, growth must be job rich, inclusive and pro-poor.

3. Notable gains have also been achieved in a number of key areas. For example, women's representation in decision-making and gender parity in education has increased; child mortality rates have declined in some countries as a result of scaled-up immunization efforts and where the distribution of low-cost insecticide-treated bed nets has been widespread; and in those countries where Governments have abolished user fees for primary education, school enrolment and attendance rates have risen sharply.

4. A number of countries have also successfully emerged from conflicts and are pursuing inclusive and sustainable development goals that are underpinned by stronger peacebuilding and consolidation efforts. The marginalization of the continent also continues to diminish as trade and access to telecommunication technologies have increased sharply as a result of the mobile phone revolution and significant improvements in Internet connectivity. These new technologies are enabling rural farmers to access new markets for their agricultural products and are also fostering the dynamism of private entrepreneurs. Combined, these gains are fuelling growth and contributing to widespread improvements in the social and economic well-being of people.

5. While a series of recent global crises, including the financial and economic crisis, the food and energy price hikes and their ongoing effects, have threatened the consolidation of these gains, the region has been able to overcome the global economic crisis better than previous crises. The reasons for Africa's growing resilience include higher commodity prices before the crisis, rising productivity at

[1] Economic Commission for Africa (ECA), African Union, African Development Bank (AfDB) and United Nations Development Programme (UNDP), *Assessing Progress in Africa toward the Millennium Development Goals: MDG Report 2010*.

[2] Organization for Economic Cooperation and Development (OECD), AfDB and ECA, *African Economic Outlook 2010: Public Resource Mobilization and Aid* (Paris, OECD, 2010).

[3] Independent Evaluation Office of the International Monetary Fund (IMF) *Evaluation Report: The IMF and Aid to Sub-Saharan Africa* (Washington, D.C., 2007).

the level of firms, growing intraregional trade and trade with Asia, improvements in political and economic governance and growing commitment to not only protect, but to increase expenditures in social sectors. The number of countries that are creating stable and predictable policy environments has also been growing, improving the attractiveness of the investment climate for private and public investors in job-intensive sectors such as agriculture, infrastructure, and mining.[4] Furthermore, rising real incomes are also fuelling and sustaining domestic demand.[5]

6. However, despite progress in these areas, a large majority of people in Africa still live on less than US$ 1.25 a day. Conflicts not only remain a major obstacle to poverty reduction, but continue to fuel episodes of sexual and gender-based violence in some countries. The rural poor still struggle to improve farm productivity because of the high cost of high-yielding seed varieties and quality fertilizers, and limited access to credit, extension services and markets. International support for smallholder agriculture remains low despite the recent increase in aid flows to the sector. Millions more still face limited access to schools, primary health care, clean water and sanitation. The ongoing effects of climate continue to pose a serious threat to the livelihoods of the poor, especially women and marginalized groups. Vertical and spatial inequalities also prevent many people from participating in gainful economic activities.

7. The global financial and economic crisis reduced African GDP growth to 4.9 per cent in 2008 and to 1.6 per cent in 2009.[6] While a projected recovery of 4.3 to 5.0 per cent is expected in 2010 and 5.5 per cent in 2011, this is expected to be a jobless recovery. Many countries have also incurred welfare losses as a result of the decline in per capita income. In 2007, 23 countries had welfare increases above the 3 per cent growth rate threshold that is deemed to be the minimum rate needed to ensure substantial poverty reduction. However, by 2009, the number of sub-Saharan African countries meeting this threshold had dropped to five. And in 2010, fewer than seven countries are expected to record per capita growth greater than 3 per cent.[7]

## II. Establishment of the NEPAD Planning and Coordinating Agency

8. African countries have been able to set themselves on a course that is yielding more positive social and economic development outcomes and more democratic societies. This has come about because African leaders continue to push for a narrative of the continent's development that places the primary responsibility for the continent's economic and social development primarily in the hands of each individual country. While pushing back externally driven policies that have had severe economic and social costs on the continent continues to be an uphill battle,

[4] McKinsey Global Institute, *Lions on the move: The progress and potential of African economies*, (McKinsey and Company, 2010).

[5] IMF, *Regional Economic Outlook: Sub-Saharan Africa: Back to High Growth?* (Washington, D.C., 2010).

[6] ECA and African Union, *Economic Report on Africa 2010: Promoting High-level Sustainable Growth to Reduce Unemployment in Africa* (Addis Ababa, ECA, 2010).

[7] *World Economic Situation and Prospects 2010* (United Nations publication, Sales No. E.10.II.C.2).

particularly those of the Washington Consensus, the African Union's NEPAD programme correctly diagnosed the region's major development constraints and needs and offers credible solutions to these multifaceted challenges. These include reducing armed conflicts, scaling-up poverty eradication efforts, promoting gender equality, increasing social expenditures in education and health, boosting smallholder agriculture, addressing climate change and promoting regional integration. However, because of limited policy space and aid and policy conditionalities, the Washington Consensus continues to exert a strong influence on economic analysis and policymaking in the region.

9. An element critical to the success of NEPAD has been the realization that African countries have to strike a balance between mobilizing resources from domestic sources vis-à-vis official development assistance, debt forgiveness, private capital and remittances. Because of this African consensus on its own development aspirations, there has been support from major stakeholders, as evidenced by the commitments made by the United Nations system, the Group of Eight/Group of Twenty, the private sector, civil society and philanthropic organizations in support of the African Union's NEPAD programme. However, some of these commitments have yet to be delivered, particularly the Gleneagles commitment to double aid to Africa by 2010.

10. To ensure a more cohesive and effective delivery of this continental architecture for social and economic development, the African Union, at the fourteenth ordinary session of the Assembly of Heads of State and Government, held in February 2010, concluded a process that had started in 2003 and decided to integrate NEPAD into the structures and processes of the African Union and to establish the NEPAD Planning and Coordinating Agency (NPCA) as a technical body of the African Union.[8] Despite this long-delayed integration, there is renewed hope that NPCA will address long-standing implementation deficits and fast-track continental aspirations for political and socio-economic transformation. The NEPAD programme now has a clear mandate which includes facilitating and coordinating the implementation of continental and regional priority programmes and projects; mobilizing resources and partners in support of the implementation of these activities; conducting and coordinating research and knowledge management; monitoring and evaluating the implementation of programmes and projects; and advocating on the NEPAD vision, mission and core principles and values.

11. With the technical support of the United Nations system, particularly that of the Economic Commission for Africa (ECA), NPCA has reprioritized and redefined its core functions and thematic actions around the following six areas: agriculture and food security; regional integration and infrastructure; climate change and natural resource management; human development; economic and corporate governance; and cross-cutting issues of capacity development, gender, and information and communications technology (ICT). These areas are interconnected and mutually reinforcing and their successful implementation will contribute to the achievement of the Millennium Development Goals in the region.

12. For NPCA to be effective, continental and regional development priorities should continue to be mainstreamed into subregional and national development strategies. Experience from within and outside Africa has consistently shown that

[8] Decision 283 (XIV).

the most successful development programmes are usually those that are country led, with broad national ownership. In the case of programmes targeting the development of regional road networks, water basins and power grids, the role of regional economic communities has been identified as critical. However, to enable Africa's regional economic communities and national institutions to successfully implement NEPAD priorities, these institutions should be adequately capacitated and resourced. Development partners have to continue offering technical assistance and resources to help buttress regional and national efforts.

# III. Progress in social sectors and agriculture

## A. Creating a sustainable growth environment

13. Africa's social and economic development challenges continue to be the lack of financial and human resources, constrained policymaking space, conflicts, geographic constraints and inadequate investments in critical sectors such as agriculture, energy and transport. Many countries are also still trying to overcome the destructive effects of structural adjustment policies that aggressively cut public spending in education, health and agriculture and eliminated critical subsidies. They have also been increasingly influenced by issues of political and economic governance and climate change. Progress in tackling these challenges has been much more rapid in those countries that have been able to foster faster rates of sustained, inclusive and equitable growth and structural transformation of national economies. Equally important in deepening the contribution of pro-poor growth strategies to fighting poverty and promoting economic transformation has been the progress in and consolidation of growth-enhancing governance capabilities and practices. While good governance does not necessarily precede growth and development, it does improve the lives of the poor through the provision of an enabling environment for job-creating investments in public and private enterprises, increased capacity to administer and monitor critical resource exploitation sectors, as well as for scaling-up investments in social sectors.

14. Hence, to consolidate Africa's unprecedented growth momentum and further drive sustainable growth and development efforts, the NEPAD programme underscores the importance of improving the environment for both domestic and foreign investors, enhancing political and corporate governance, as well as preserving peace and preventing conflicts. Periodic reviews of political and corporate governance and the implementation of development programmes continue to be conducted within the context of Africa's mutually agreed self-monitoring instrument, the African Peer Review Mechanism.

15. In those countries where peace and political stability have prevailed, steady progress has been made. Inclusive and sustained growth has resulted in the laying of a stronger foundation for the establishment of good governance structures. For Africa, this is particularly critical. Over the past decade, the exploitation of natural resources has been a key driver of faster rates of growth across the continent. The growth in South-South trade that has been fuelled by the emergence of new poles of growth, especially China, India and Brazil, has bolstered the fiscal space of many countries. However, in order to reap the benefits associated with commodity booms and to transform these benefits into sustained prosperity of ordinary citizens,

African countries will have to combine macroeconomic policies that emphasize job creation with governance practices that promote a more equitable distribution of the benefits of growth as well as reduce public corruption. This will require public institutions that effectively and efficiently utilize revenues from natural resource exploitation for sustainable development.

16. In contrast to the historical record of resource exploitation in Africa which led to conflicts and undermined durable peace and sustainable development,[9] there is now renewed hope that the strong push by NEPAD towards improved standards of political and corporate governance will result in the better management of Africa's resources and maximize this wealth by improving standards of living for millions of its people. This, in turn, will improve the prospects for achieving internationally agreed development goals, including the Millennium Development Goals, by 2015 in Africa.

## B. Eradicating poverty and hunger

17. Poverty eradication efforts in Africa have been significant even though progress has been uneven across countries. While a number of countries experienced strong GDP growth, most of the poverty reduction occurred in only a few countries, underscoring the existence of substantial differences in the abilities of countries to translate growth into poverty reduction.[10] Prior to the global economic crisis of 2008, relatively strong rates of growth had on average been the major driving force behind the reduction of extreme poverty in several countries. World Bank estimates indicate that poverty rates in sub-Saharan Africa fell from 58 per cent in 1990 to 51 per cent in 2005 even though the absolute number of poor people actually increased from 296 million to 388 million during that period. The World Bank also estimates that the global economic crisis increased the number of people living below $1.25 a day by as much as 7 million in sub-Saharan Africa in 2009.[11] If the crisis had not occurred, the proportion of people living in poverty in sub-Saharan Africa was expected to have declined from 58 per cent in 1990 to 36 per cent in 2015 and to 30 per cent in 2020. However, because of the crisis, it is estimated that the proportion of poor would be as high as 38 per cent in 2015 before declining to 33 per cent in 2020.[12]

18. While the slow pace of progress in sub-Saharan Africa continues to be the main focus of the international development community, poverty eradication efforts in North Africa have been quite solid. Algeria, Egypt, Tunisia and Morocco have been able to reduce both the incidence of and the absolute number of people living in extreme poverty. However, poverty remains a challenge in Djibouti, while lack of official data on poverty makes it much more difficult to assess progress in the Sudan and the Libyan Arab Jamahiriya.

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[9] See A/52/871-S/1998/318.

[10] A.K. Fosu, "Inequality, income and poverty: comparative global evidence", *Social Science Quarterly*, vol. 91, issue 5 (December 2010).

[11] M. Ravallion, "The crisis and the world's poorest", *Development Outreach: Growing Out of Crisis* (Washington, D.C., World Bank Institute, 2009).

[12] World Bank and IMF, *Global Monitoring Report 2010: The MDGs after the crisis* (Washington, D.C., World Bank, 2010).

19. According to the Africa Millennium Development Goal report for 2010,[13] poverty has been falling on the continent due to the strong growth that preceded the global economic crisis and there have been significant improvements in governance capabilities as well as cessation of conflicts in some countries. Other major efforts that are contributing to the reduction of poverty include the shift in aid allocation in favour of social services, increased public spending on basic services used by the poor, the increase of income-transfer and social-assistance schemes targeting women, children and other vulnerable groups, pensions for the elderly and employment-guarantee schemes.[14]

20. Therefore, for sub-Saharan Africa to significantly reduce levels of poverty, it will require sustained, positive, real per capita income growth lasting at least a decade or two. There will also need to be a reduction in conflicts, scaling-up of social protection, and investments in education, health, agriculture and infrastructure. Growth needs to be jobs rich and sufficiently rapid to lift large numbers of people out of poverty. The benefits of this growth will also have to be broadly shared because failure to reduce income inequalities may not transform high rates of growth into significant poverty reduction. Furthermore, reducing poverty will require that countries learn by doing, share experiences and knowledge and then scale up best practices. While donor assistance will greatly enhance the scaling-up and implementation of successful development projects, poverty eradication efforts should not continue to be aid driven. The identification of new sources of financing, including the mobilization of domestic resources and the attraction of foreign direct investments, has to be a top priority. These are the principles and values outlined in the NEPAD programme.

21. As regards hunger, World Bank estimates indicate that a large share of the 63 million people who were undernourished as a result of the global food price hikes of 2007-2008 live in sub-Saharan Africa. In addition, an equally significant proportion of the additional 41.3 million people who were undernourished globally as a result of the global economic crisis also reside in sub-Saharan Africa. Consequently, levels of hunger and malnutrition continue to be a major challenge across the region. In fact, the International Food Policy Research Institute, estimates that sub-Saharan Africa continues to have some of the highest levels of hunger in the world. According to its 2010 Global Hunger Index (GHI), a weighted index that combines the under-five mortality rate, the prevalence of underweight in children under the age of 5 and the proportion of people who are undernourished, only Tunisia and Ghana were able to reduce their GHI scores, by 58 per cent and 57 per cent respectively. Angola, Ethiopia and Mozambique have also made significant progress in reducing their GHI scores since 1990. However, overall progress towards reducing levels of poverty and hunger continue to face strong pressure emanating from persistent conflicts, high food prices and the global economic crisis. Hence, countries such as the Democratic Republic of the Congo, Eritrea, Chad and Burundi continue to exhibit high GHI scores.

[13] ECA and others, *Assessing Progress in Africa toward the Millennium Development Goals*.

[14] United Nations Research Institute for Social Development, *Combating Poverty and Inequality: Structural Change, Social Policy and Politics* (Geneva, 2010).

## C. Education and health

22. Investing in education is key to reducing poverty and promoting social change and sustained long-term economic growth. It is also critical to creating more inclusive societies. The desire to improve the social and economic prospects of all individuals as well as ensure that Africa's future labour force is better equipped to compete in a global knowledge economy is therefore a cornerstone of the NEPAD programme. As a result, African countries are increasing access to educational opportunities by women, girls and other socially excluded groups, particularly at the primary school level, and to improve the quality of education. It is these gains that are contributing to the expansion of Africa's middle class, a group that is increasingly demanding more accountable public institutions and universal access to quality public goods and social services. Rising levels of education also mean an increasingly educated labour force and growing consumer power. While notable gains have been made, it is also equally true that the goals of achieving universal primary education, improving literacy levels and extending early childhood education continue to elude some countries.

23. Just five years away from the target date for the achievement of the Millennium Development Goals, attention to scaling-up gains in education has gained momentum at both the regional and international levels. Since 2005, at the fifth ordinary session of the Assembly of the Heads of State and Government of the African Union, African Governments had pledged commitments of 20 per cent of Government expenditure to education. Of the 46 countries with available data, only 10 have fulfilled their commitments.[15]

24. Since the implementation of NEPAD in 2001, gross primary enrolment has increased by more than 10 per cent, but this has been accompanied by a growing pupil-to-teacher ratio, a phenomenon that could compromise educational quality.[16] Over the last decade, countries such as Burkina Faso, Ethiopia, Mozambique, Rwanda and Uganda have recorded some of the most impressive gains in education.[17] However, improvements in access to secondary education have not been as successful. Gross secondary enrolment on the continent reached a high of 43.3 per cent in 2004, a 6.8 per cent increase over 2001. However, by 2007, the secondary enrolment rate had regressed to 38.1 per cent, 2 per cent lower than it was in 2001.[18] It has also been more difficult to keep girls in schools beyond the primary level.

25. Sub-Saharan Africa has shown much more consistent progress in school enrolment than the continent as a whole. Gross primary enrolment has increased by nearly 12 per cent since 2001 and secondary enrolment has consistently increased, although it is still less than 40 per cent (36.5 per cent in 2007). The likelihood of compromised quality remains a problem as the pupil-to-teacher ratio at the primary level increased by nearly 2 per cent to 46.6 per cent in 2007.[19] In fact, the subregion

[15] African Monitor, *Development Support Monitor 2010: Making MDGs Attainable and Their Outcomes Sustainable* (Cape Town, South Africa, 2010).

[16] African Development Bank Group Data Portal, 27 October 2010. Available from http://afdbdp.prognoz.com.

[17] United Nations Development Programme, *Human Development Report 2010: The Real Wealth of Nations: Pathways to Human Development* (New York, UNDP, 2010).

[18] African Development Bank Group Data Portal.

[19] Ibid.

would need an additional 1.2 million qualified teachers to facilitate a good learning environment for all.[20] As further noted by the United Nations Educational, Scientific and Cultural Organization, in some sub-Saharan African countries, young adults were still 40 per cent likely to be illiterate even after completing five years of education. The pressure from the financial and economic crisis could undermine much of the progress in education in the region and further compromise educational quality as real and potential revenue loss could lead to a 10 per cent reduction in pre-crisis spending per primary-school pupil.

26. In addition to improving school enrolment and attendance levels, NEPAD has partnered with various United Nations agencies, philanthropic organizations and other groups to boost the food and nutrition security of children. One such programme is the Home Grown School Feeding Programme in which the World Food Programme has partnered with NEPAD, the World Bank and the Partnership for Child Development to support African Governments to develop, roll out and scale school feeding programmes that cover education, nutrition, health and women's empowerment. Countries such as Malawi, Côte d'Ivoire, Kenya and Uganda are providing meals to schoolchildren using locally produced commodities through the Home Grown School Feeding Programme. As local farmers supply the necessary agricultural commodities, such school feeding programmes are contributing to poverty eradication efforts by supporting local agriculture.

27. Lack of access to basic health-care services remains a major challenge. During the period 2000-2009, there were only two physicians per 10,000 persons in Africa. Similarly, there were only nine hospital beds per 10,000 persons. Efforts are being made, however, to increase access to health infrastructure and personnel, and average spending on health has increased from 8.7 per cent of Government expenditure in 2001 to 10.2 per cent in 2007. Twenty-two countries allocated expenditures at or above the 2007 global median of 10.8 per cent for spending on health.

28. The burden of high levels of maternal and child deaths, HIV/AIDS, tuberculosis and malaria also continues to slow the pace of Africa's development as a result of inadequate investments in the health of women and children and in the delivery of primary health-care services. While many African countries have been able, in particular, to reduce their disease burdens from malaria deaths and maternal and child deaths, the level of these deaths is still unacceptably high. It is estimated that in sub-Saharan Africa, HIV/AIDS, tuberculosis and malaria are responsible for close to 52 per cent of deaths among women of childbearing age while malaria alone accounts for 16 to 18 per cent of child deaths. While these figures are still daunting, they should not discount the progress that has been made. Ten of the countries where the disease is most endemic have seen decreases in new malaria cases that have resulted in marked declines in child mortality of 50 to 80 per cent.[21] Such positive outcomes are attributed to the distribution of bed nets. For instance, it is estimated that in 2008, a total of 38.1 million bed nets were distributed by all sources and in 2009, programmes supported by the Global Fund to Fight AIDS, Tuberculosis and Malaria had distributed 22.5 million bed nets. The Global Fund

[20] United Nations Educational, Scientific and Cultural Organization, *Education for All Global Monitoring Report 2010: Reaching the Marginalized* (Oxford, Oxford University Press, 2010).

[21] The Global Fund to Fight AIDS, Tuberculosis and Malaria, *The Global Fund 2010: Innovation and Impact* (Geneva, 2010).

also currently provides antiretroviral therapy to 1.9 million people in sub-Saharan Africa.

29. New efforts are under way to further enhance the implementation of NEPAD health priorities and the Maputo Plan of Action. There is increased focus on working towards other health commitments made at the global level such as the Programme of Action agreed to at the International Conference on Population and Development, the Beijing Declaration and Platform for Action and the ministerial declaration on global public health adopted at the Economic and Social Council 2009 annual ministerial review. In particular, in May 2009 the African Union launched the Campaign on Accelerated Reduction of Maternal Mortality in Africa (CARMMA) under the theme "Universal access to quality services: improve maternal, neonatal and child health". The Campaign seeks to enhance political leadership and commitment at the national level to reducing maternal and child deaths and aims to generate action by mobilizing local resources and raising and maintaining awareness and appropriate responses at global, continental, regional and national levels. It is hoped that best practices of countries which have significantly reduced maternal deaths will be replicated in other parts of the continent through exchanges and visits by health professionals.

30. The goals of such regional efforts are being complemented and augmented by major global efforts. In September 2010, the United Nations launched the Global Strategy for Women's and Children's Health in partnership with Governments, the private sector, multilateral and philanthropic organizations, and civil society and research organizations. This campaign is part of renewed and concerted worldwide efforts to accelerate progress on women's and children's health. At its launch, stakeholders pledged $40 billion for improving the health and well-being of women and children. Major international health organizations such as the Bill and Melinda Gates Foundation, the Global Alliance for Vaccines and Immunization (GAVI Alliance) and the Global Fund are partnering with the Global Strategy to ensure more efficient resource allocation as well as the integration of services and efforts across a broad range of health needs.

31. While considerable progress has been made in addressing the myriad health challenges facing the region, key challenges still remain. These include continued high levels of maternal and neonatal mortality, the shortage of health professionals and the growing burden of communicable and non-communicable diseases. African ministers of health have also singled out high levels of out-of-pocket payments for health as a major obstacle to the achievement of the health Millennium Development Goals.[22] In the Eastern, Central and Southern Africa regions, these costs are as high as 48 per cent of total health expenditures. There have also been renewed calls to expand the regional advocacy agenda to focus attention on the opportunities and challenges in harnessing evidence-based solutions to effect positive transformation in the delivery of health-care services if African countries are to accelerate implementation of the Maputo Plan of Action as well as the Millennium Development Goals.

[22] Fiftieth East, Central and Southern African Health Community Conference of Health Ministers, Kampala, 15-19 February 2010, resolution ECSA/HMC50/R1. Health insurance and financing.

## D. Gender

32. African countries continue to take concrete steps to improve women and girls' access to education and training and their participation in science and technology and in the labour force as well as eliminate all forms of gender-based violence and discrimination in order to enhance prospects for sustained economic growth as well as tackle poverty. However, the gains that women and girls have made in these areas have not translated into improved labour market outcomes. Women continue to lag behind their male counterparts at all ages in formal labour market participation and are disproportionately overrepresented in the informal sector and in vulnerable employment.

33. Attention to gender equality and the empowerment of women continues to gain momentum in the region not only through the implementation of the NEPAD programme, but through additional commitments such as the Solemn Declaration on Gender Equality in Africa adopted by Heads of State and Government of the member States of the African Union in 2004, and the Protocol to the African Charter on Human and Peoples' Rights on the Rights of Women in Africa. In more recent years women's right to primary health care has received heightened attention, both for its role in improving the lives of women and in recognition of the central role that maternal health plays in each country's development. The African Union's CARMMA campaign also encourages African Governments to design policies that address cultural and traditional practices which undervalue women as well as promote equal educational opportunities for women and girls and women's independent marital and reproductive rights.[23] African countries are also being encouraged to adopt the status of maternal and child health as key indicators of a functioning health system.[24]

34. Inadequate data availability has posed a significant obstacle to the acceleration of gender equality in the region over the years. The inability to accurately assess the performance of Governments makes it difficult to hold them accountable for the implementation of regional and international commitments to gender equality. As a response, ECA developed the African Gender and Development Index as an Africa-specific mechanism to address this issue. The index explores the status of women on the African continent relative to that of men, as well as to the more qualitative elements of their social access and capabilities, their economic opportunities and their representation and participation in public decision-making and civil society, and also highlights attention given to their specific rights.

35. The results of a pilot study conducted in 12 countries on the African Gender and Development Index showed mixed progress. Progress has been most positive and far-reaching in the areas of education and health, especially with improving universal access to primary education and improving maternal health. In the area of women's rights, although the analysis revealed consistent improvement with regard to the ratification of relevant international instruments, harmful social attitudes continue to impact the effective implementation of the provisions of these

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[23] African Union Commission (2009), *Factsheet on CARMMA*. Available from www.african-union.org.

[24] African Union (2010), 15th African Union Summit, Documents, "Key messages for the Summit". Available from http://www.africa-union.org/root/au/conferences/2010/july/summit/15thsummit.html.

instruments at the country level. In addition, most gender machineries, where they exist, continue to be understaffed and underfinanced and in these cases, full implementation and efficient monitoring of the implementation of women's rights are hampered. The Governments assessed also showed significant progress in reforming national laws to protect women from domestic violence. The need to take domestic violence out of the private realm and recognize it as an issue of gender discrimination is being increasingly recognized across the continent. About 14 countries have instituted laws in this regard.[25] Similarly, while some countries have been making efforts to improve women's political representation through quotas and similar policies of affirmative action, negative attitudes and perceptions regarding women in politics continue to hinder their full participation.

36. With the launch in October 2010 of the Decade for African Women (2010-2020), African countries continue to push for the achievement of gender equality across all areas. However, for this goal to be attained, Governments have to ensure gender-responsive budgeting and avoid cutting social programmes that benefit women and children.

## E. Comprehensive Africa Agriculture Development Programme

37. While most countries remain vulnerable to spikes in global food prices, the state of food and nutrition security across much of Africa remains fragile. While the food price hikes of 2007-2008 may have ebbed, average wheat and grain prices have remained high and are expected to be 15 to 40 per cent higher over the next 10 years in real terms as compared to the 1997-2006 prices.[26] These high food prices have disproportionately impacted the lives of the poor. Consequently, progress in alleviating poverty and hunger and accelerating growth has been slow. The continent's food import bill stands at $33 billion per annum, and clearly stagnant and low levels of agricultural productivity continue to be costly for the region. Saving and investing these significant resources in the agriculture and social sectors has been identified as a key priority for the region. Furthermore, efforts to use agriculture as the basis for higher levels of sustainable economic growth and structural transformation remain weak. The free movement of agricultural commodities and access to domestic and international markets continue to be hampered by the inadequate and slow pace of rural infrastructure development.

38. These shortfalls are largely due to the persistence of significant financing gaps for smallholder agriculture. Many African Governments continue to fall short of the Maputo Plan pledge to allocate a minimum of 10 per cent of national budgets to the agricultural sector and to achieve an annual growth rate of at least 6 per cent per year in agriculture. International agricultural aid commitments, particularly the $22 billion L'Aquila Food Security Initiative, $3.5 billion from the United States and $3.8 billion from the European Commission will have to be delivered if African agriculture is to be successfully revived.[27] These global efforts, combined with

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[25] ECA, *African Women's Report 2009: Measuring Inequality in Africa: Experiences and Lessons from the African Gender and Development Index* (Addis Ababa, 2010).

[26] OECD and Food and Agriculture Organization of the United Nations (FAO), *Agricultural Outlook 2010-2019* (Paris, OECD, 2010).

[27] The Montpellier Panel, *Africa and Europe: Partnerships for Agricultural Development* (London, Imperial College, 2010).

$800 million per year from the European Union for agricultural development in sub-Saharan Africa, will have to be sustained to ensure the implementation of the Comprehensive Africa Agriculture Development Programme (CAADP).

39. In addition to national and regional efforts, significant agricultural development assistance is also being channelled to African countries through strategic partnerships for agriculture and food security. The 2009 World Summit on Food Security pledged to invest in African agriculture through CAADP. A growing number of international investors are investing in agriculture through large-scale acquisitions of farmland. While these acquisitions have the potential to boost GDP, Government revenues and infrastructure development and create jobs, there are also legitimate concerns that large-scale land acquisitions of this nature may undermine access by poor rural farmers and other marginalized groups to resources such as water, grazing lands and wood.[28] It is therefore imperative that land acquisitions take place in a transparent manner, that local and customary land rights of local farmers be secured and that local farmers benefit from such investments through training and technology transfers and investments in infrastructure. Appropriate safeguards are also needed to protect local food security.

40. Despite these challenges, the possibility of achieving food and nutrition security in Africa through an African green revolution and significant investments in smallholder agricultural development is now a real possibility. By continuing to focus on the implementation of CAADP as the regional approach to enhancing agriculture-led economic growth, African countries will, in the long run, successfully reduce extreme poverty and food and nutrition insecurities and enable the expansion of exports of agricultural commodities and products. To date, 22 African countries have held CAADP round tables, signed compacts and designed investment plans, whereas before July 2009 Rwanda was the only country to have done so. Eighteen of these countries have had their agriculture and food security investment plans developed and independently reviewed based on the vision and principles outlined in their national compacts. For instance, Ethiopia has taken steps to strengthen and add value to its agricultural development-led industrialization strategy while Malawi has aligned its agriculture sector-wide approach to the CAADP pillars. In order to access international finance from mechanisms such as the Global Agriculture and Food Security Programme, countries are now required to align their agricultural development programmes and strategies with CAADP.

41. The implementation of CAADP as well as the translation into action of the decision of the fourteenth ordinary session of the Assembly of Heads of State and Government of the member States of the African Union that within five years Africa must be able to feed itself and that after that period, no child in Africa should die of hunger, starvation or malnutrition, have received a further boost. President Bingu wa Mutarika of Malawi has proposed a new strategic partnership, The African Food Basket Initiative. This initiative highlights agriculture and food security as the springboard for growth supported by strategic investments in infrastructure development, particularly in transport, energy and ICT and climate change mitigation.

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[28] L. Cotula, S. Vermeulen, R. Leonard and J. Keeley, *Land grab or development opportunity? Agricultural investment and international land deals in Africa* (London/Rome, International Institute for Environment and Development, FAO and International Fund for Agricultural Development, 2009).

# IV. Infrastructure development, trade and regional integration

42. Continuing infrastructure bottlenecks, including in access to modern energy services, are curtailing Africa's development potential. The demand for public infrastructure systems and services in Africa has soared as a result of the increased movements of people, goods and services; rapid population growth and urbanization; and deepening regional economic integration. Hence, one of the key goals of the NEPAD Programme for Infrastructure Development in Africa is to promote growth, improve human development and reduce poverty through improved and scaled-up access to integrated regional and continental infrastructure networks and services in the transport, energy, transboundary water and ICT sectors.[29]

43. Besides providing the necessary building blocks of long-term economic progress, infrastructure development can have profound and complementary effects for economic and social development and the achievement of the Millennium Development Goals. It can stimulate broad-based development, significantly expand employment and involve meaningful technology transfer. While commodities and the related Government spending they financed accounted for 32 per cent of Africa's GDP growth between 2000 and 2008, the remaining two thirds of the region's broader growth is the result of structural changes and tremendous growth in the transport, telecommunications and manufacturing sectors as well as more efficient wholesale and retail sectors.[30] For instance, with 316 million new subscribers since 2000, the growth of the mobile phone sector throughout Africa has been phenomenal. This has created thousands of decent jobs and improved the efficiency of internal markets.

44. To transform Africa's infrastructure, the MDG Africa Steering Group estimates that a total of $52.2 billion a year is required in public and private investments on top of the efficiency gains that have to accrue from improved operations and maintenance of transport assets. Meeting this target has been a challenge. However, significant commitments have been made. The Infrastructure Consortium for Africa, a group that was launched at the Group of Eight Gleneagles summit in 2005, estimates that the total commitments for infrastructure in Africa in 2009 totalled $38.4 billion, up by 5 per cent from $36.6 billion in 2008.[31] However, because of the global financial crisis, investments from the private sector plunged by 23.7 per cent (or $11.4 billion) in 2009. Despite this drawback, the overall increase in financial commitments from the Infrastructure Consortium for Africa has acted in a countercyclical manner in those countries with major infrastructure projects.

45. Investments in the transport and energy sectors are particularly critical for sub-Saharan Africa where 69 per cent of the population lack access to electricity and 80 per cent rely on the traditional use of biomass for cooking.[32] Inadequate or intermittent access to power is also estimated to cost the African economy between

[29] The Programme for Infrastructure Development in Africa was launched by African leaders in July 2010 and merges all continental initiatives on infrastructure.

[30] McKinsey Global Institute, *Lions on the move*.

[31] The Infrastructure Consortium for Africa, *Annual Report 2009: Financial Commitments and Disbursements for Infrastructure in Africa* (Tunis, 2010).

[32] International Energy Agency, UNDP and United Nations Industrial Development Organization, *Energy Poverty: How to make modern energy access universal?* Special early excerpt of the World Energy Outlook 2010 for the United Nations General Assembly on the Millennium Development Goals (Paris, OECD/IEA, 2010).

1 and 2 per cent of GDP annually.[33] Besides undermining the continent's growth prospects, disruptions in power supply hamper poverty eradication to the extent that they impede or slow the pace of job creation and the delivery of education, health, clean water and sanitation services.

46. International financial institutions and development banks have pledged to increase their financial commitments to Africa by at least $15 billion in the next two to three years. In the past fiscal year, the World Bank's infrastructure lending to sub-Saharan Africa increased sharply to over $7.5 billion and between 2002 and 2008, the African Development Bank and other development partners have financed regional infrastructure projects in the amount of $5.6 billion. Sustained investments of this magnitude will not only bridge Africa's infrastructure gap but will significantly improve social conditions through access to modern sources of energy, clean water and sanitation. Furthermore, it will also foster stronger social integration as some of the constraints posed by spatial inequities in the distribution of and access to public goods and services are reduced.

47. Some of the major regional infrastructure projects that have received funding from the African Development Bank and the World Bank include the West Africa Gas Pipeline, power corridors in the Economic Community of West African States and Southern African Development Community regions, the Maghreb Arab Union transport programme, transboundary water projects, as well as transport corridors linking several countries. In addition, concessional and non-concessional financial support from China and India is being channelled into infrastructure projects across the continent. With more than 20 per cent market share, China is the major bilateral investor in Africa's infrastructure sector.[34] Nevertheless, given the large number of regional infrastructure projects that are in the pipeline, concerted efforts are needed to be made to close the funding gap of approximately $31-$48 billion a year. This will require raising the necessary resources from public-private partnerships and local capital markets, as well as increased resource flows from OECD countries and sovereign wealth funds (SWFs) such as those from the Gulf Cooperation Council.[35]

48. These massive investments in regional infrastructure projects are creating decent jobs at a time when the challenge of creating decent job opportunities for Africa's growing labour force has been compounded by the global economic crisis. The International Labour Organization estimates that the employment gap in Africa will reach 1.4 million jobs in 2011 as compared to 14.5 million jobs in advanced countries, 2.6 million jobs in Latin America and the Caribbean, 1.7 million jobs in Asia and 1.9 million jobs in Central and Eastern Europe and the former Soviet Republics.[36] Therefore, embarking on a big push in infrastructure and energy development as outlined in "The AU/NEPAD African Action Plan 2010-2015: Advancing Regional and Continental Integration in Africa" will help address the anaemic pace of job creation that the continent had witnessed before the global recession.

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[33] United Nations Office of the Special Adviser on Africa and NEPAD-OECD Africa Investment Initiative, Infrastructure in Africa, policy brief No. 2, October 2010.

[34] The Infrastructure Consortium for Africa, *Annual Report 2009*.

[35] J. Gijon, SWF and infrastructure investment in Africa: Challenges and perspectives, NEPAD-OECD Africa Investment Initiative, Entebbe, Uganda, 10-11 December 2008. Available from www.oecd/org/dataoecd/31/36/41865534.pdf.

[36] International Labour Organization, *World of Work Report 2010: From one crisis to the next?* (Geneva, International Labour Institute for Labour Studies; 2010).

49. With regard to regional integration, unprecedented levels of regional cooperation have occurred in trade, energy and infrastructure development.[37] In the particular case of trade, African countries have prioritized export-led growth, enhancing competitiveness and reducing barriers to trade. There has been considerable progress in these areas largely because of growing South-South trade relations as well as trade with industrialized countries. Of particular note is the impact of growing trade relations between the United States and Africa which are increasingly being implemented within the NEPAD framework. Over the past 10 years the United States African Growth Opportunity Act (AGOA) is credited with having generated 300,000 jobs and about $300 billion in export earnings in some of the 38 sub-Saharan African countries that are eligible under the Act. By giving sub-Saharan African exports preferential access to United States markets, AGOA aims to help African countries reduce poverty through trade and employment creation, facilitate the continent's integration into the global economy, as well as overcome its long-standing trade and investment constraints.[38]

50. While most of the trade between the United States and Africa has been limited to oil and minerals, benefiting a small number of African countries, some major beneficiaries of AGOA have been able to record impressive gains. It is estimated that within the first two years of AGOA certification, investment flows into Lesotho's textile, garment and footwear sectors shot up as private companies sought to take advantage of AGOA preferences. These new investments resulted in an increase in employment from 29,000 to 45,000, a 36 per cent increase. Similar employment gains have also been recorded in Kenya, Malawi and Swaziland.

## V. Challenges to implementing the priorities of the New Partnership for Africa's Development programme

51. The global financial and economic crisis has affected the implementation and attainment of the NEPAD priorities in several ways. First, the decline in commodity prices not only negatively affected Government revenues, but undermined the fiscal space of countries. Efforts to pursue expansionary macroeconomic policies had to be curtailed. Second, the crisis resulted in large increases in the cost of finance, thereby slowing down lending to African countries and attracting investments in critical sectors such as trade, manufacturing and resource extraction. This also affected exchange rates and raised the costs of production and trade, further undermining the competitiveness of African exports.[39] Third, the recession resulted in a significant decline in foreign direct investment. Fourth, the decline in demand for African commodities and products put downward pressure on employment and wages, developments that have contributed to the expansion of the ranks of the working poor as well as informal employment. In South Africa, for example, job losses were as high as 900,000 in 2009.[40] Fifth, the global economic crisis affected the

[37] ECA, African Union and AfDB, Assessing Regional Integration in Africa IV. Enhancing Intra-African Trade (Addis Ababa, ECA, 2010).

[38] "A decade of African-US trade under the African Growth and Opportunity Act (AGOA): Challenges, opportunities and a framework for Post-AGOA Engagement", document of the sixth ordinary session of the African Union Conference of Ministers of Trade, Kigali, 29 October-2 November 2010. Available from www.africa-union.org.

[39] World Bank, *Global Economic Prospects: Fiscal Headwinds and Recovery*, Summer 2010.

[40] IMF, *Regional Economic Outlook*.

livelihoods and expenditure patterns of remittance-dependent households through reductions in purchasing power. Because of crisis-induced job losses in major industrialized economies and the Gulf region, remittance flows to some African countries were adversely affected even though overall remittance flows to the region have been resilient.[41]

52. Implementing major development projects is expensive and most African countries do not have the necessary fiscal and policy space to do so. Overcoming this constraint will require that African Governments double their efforts to mobilize domestic resources as well as reverse the flow of resources to developed economies. While combined official development assistance and net private flows to Africa in 2008 reached $63 billion, illicit capital outflows alone are estimated at $96 billion for the same year.[42] Therefore, addressing these challenges will ensure that African development on African terms does not have to depend solely on external contributions. Domestic resource mobilization has to be paramount in paving Africa's way forward.

53. It is also equally imperative that donor countries deliver on their aid commitments, particularly those targeting productive sectors, and help poor countries weather the shocks caused by the global economic crisis. However, the economic contraction caused by the global financial and economic crisis has meant that the current dollar value of the commitments to Africa continue to decline. Prior to the crisis, overall commitments would have raised aid from $80 billion in 2004 to $130 billion in 2010. These same commitments are now valued at some $121 billion in 2004 dollars. In addition to the reductions due to performance, a few donor countries are unlikely to meet their 2010 targets; for Africa, this means a reduction of more than $12 million in the value of expected aid.[43]

54. African countries also need to ensure that regional, subregional and national development institutions are adequately resourced and serve the greater public good. Hence, strengthening the African Union Commission and its regional economic communities as laid out in the declaration entitled on "Enhancing UN-AU cooperation: framework for the ten-year capacity-building programme for the African Union"[44] are critical. The Regional Coordination Mechanism of United Nations agencies and organizations working in Africa in support of the African Union and its NEPAD programme should continue to support the capacity needs of Africa's institutions and enhance policy coherence and the alignment of activities of the United Nations system.

55. Finally, it will also require sustained political will on the part of African leaders to ensure that the African Union's NEPAD programme delivers on its promise and potential.

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[41] S. Mohapatra, D. Ratha and A. Silwal, "Outlook for remittance flows 2011-12", Migration and Development Brief 13, World Bank, 8 November 2010.

[42] African Monitor, *Development Support Monitor 2010: Making MDGs Attainable and Their Outcomes Sustainable*.

[43] AfDB and OECD, *African Economic Outlook 2010*.

[44] A/61/630, annex.